

# UNITED STATES DEPARTMENT OF **COMMERCE** **NEWS**

WASHINGTON, DC 20230

ECONOMICS  
AND  
STATISTICS  
ADMINISTRATION

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FOR RELEASE 10:00 AM EDT  
THURSDAY, AUGUST 1, 2002  
CB02-101

## **EXPENDITURES FOR IMPROVEMENTS AND REPAIRS OF RESIDENTIAL PROPERTIES FIRST QUARTER 2002**

Expenditures for improvements and repairs of residential properties in the first quarter 2002 were at a seasonally adjusted annual rate of \$168.5 billion, according to data released today by the U.S. Commerce Department's Census Bureau. This estimate is 14.0( $\pm$ 23.6) percent above the fourth quarter 2001 estimate of \$147.8 billion.

Spending on maintenance and repairs was at a seasonally adjusted annual rate of \$43.0 billion in the first quarter 2002; improvements amounted to \$125.5 billion.

### **EXPLANATORY NOTES**

The statistics in this release are estimated from sample surveys and are subject to sampling variability as well as nonsampling error including bias and variance from response, nonreporting, and undercoverage. Whenever a statement such as "2( $\pm$ 10) percent above" appears in the text, this indicated the range (-8 to +12 percent) in which the actual percent change is likely to have occurred. All ranges given for percent changes are 90-percent confidence intervals. If a range contains zero, it is uncertain whether there was an increase or decrease; that is, the change is not statistically significant.

More detailed data will appear in Current Construction Reports, C50/02-Q1, to be issued at a later date. This report will also provide a description of the reliability of the data, survey methodology, and the 90-percent confidence interval.

**Table 1. Expenditures for Maintenance and Repairs and Improvements**

**Seasonally Adjusted Annual Rate in Millions of Dollars**

[Detail may not add to total due to rounding]

| Year and quarter               | Total expenditures | Maintenance and repairs | Improvements |                           |                    |
|--------------------------------|--------------------|-------------------------|--------------|---------------------------|--------------------|
|                                |                    |                         | Total        | Additions and alterations | Major replacements |
| <b>1992</b>                    |                    |                         |              |                           |                    |
| 1st quarter .....              | 107,700            | 47,800                  | 59,900       | 41,100                    | 18,800             |
| 2nd quarter .....              | 128,200            | 60,200                  | 68,000       | 43,900                    | 24,200             |
| 3rd quarter .....              | 106,000            | 47,600                  | 58,400       | 40,700                    | 17,700             |
| 4th quarter .....              | 120,000            | 47,400                  | 72,600       | 50,700                    | 21,900             |
| <b>1993</b>                    |                    |                         |              |                           |                    |
| 1st quarter .....              | 120,000            | 49,300                  | 70,700       | 48,200                    | 22,500             |
| 2nd quarter .....              | 118,700            | 43,400                  | 75,300       | 46,700                    | 28,600             |
| 3rd quarter .....              | 120,700            | 44,000                  | 76,700       | 57,500                    | 19,200             |
| 4th quarter .....              | 129,500            | 47,000                  | 82,500       | 61,300                    | 21,200             |
| <b>1994</b>                    |                    |                         |              |                           |                    |
| 1st quarter .....              | 126,300            | 45,100                  | 81,300       | 61,100                    | 20,100             |
| 2nd quarter .....              | 138,700            | 49,600                  | 89,100       | 65,300                    | 23,900             |
| 3rd quarter .....              | 123,300            | 43,800                  | 79,500       | 51,800                    | 27,700             |
| 4th quarter .....              | 130,400            | 49,800                  | 80,600       | 49,000                    | 31,600             |
| <b>1995</b>                    |                    |                         |              |                           |                    |
| 1st quarter .....              | 131,200            | 49,100                  | 82,100       | 55,300                    | 26,800             |
| 2nd quarter .....              | 133,200            | 48,700                  | 84,500       | 56,200                    | 28,300             |
| 3rd quarter .....              | 127,900            | 48,800                  | 79,100       | 48,300                    | 30,900             |
| 4th quarter .....              | 107,200            | 41,600                  | 65,600       | 44,300                    | 21,200             |
| <b>1996</b>                    |                    |                         |              |                           |                    |
| 1st quarter .....              | 135,500            | 43,400                  | 92,200       | 60,900                    | 31,200             |
| 2nd quarter .....              | 113,300            | 39,200                  | 74,100       | 52,400                    | 21,700             |
| 3rd quarter .....              | 136,800            | 35,700                  | 101,200      | 70,400                    | 30,700             |
| 4th quarter .....              | 142,300            | 43,200                  | 99,100       | 75,100                    | 24,100             |
| <b>1997</b>                    |                    |                         |              |                           |                    |
| 1st quarter .....              | 126,500            | 36,900                  | 89,600       | 62,500                    | 27,200             |
| 2nd quarter .....              | 129,000            | 42,600                  | 86,400       | 62,000                    | 24,400             |
| 3rd quarter .....              | 138,500            | 45,800                  | 92,700       | 66,000                    | 26,700             |
| 4th quarter .....              | 138,300            | 37,400                  | 100,900      | 70,300                    | 30,600             |
| <b>1998</b>                    |                    |                         |              |                           |                    |
| 1st quarter .....              | 140,700            | 40,900                  | 99,800       | 72,200                    | 27,600             |
| 2nd quarter .....              | 152,700            | 43,700                  | 109,000      | 79,000                    | 30,000             |
| 3rd quarter .....              | 119,100            | 42,400                  | 76,700       | 49,200                    | 27,500             |
| 4th quarter .....              | 123,300            | 40,500                  | 82,800       | 52,800                    | 30,000             |
| <b>1999</b>                    |                    |                         |              |                           |                    |
| 1st quarter .....              | 127,400            | 36,100                  | 91,300       | 60,800                    | 30,500             |
| 2nd quarter .....              | 128,200            | 41,400                  | 86,800       | 60,500                    | 26,300             |
| 3rd quarter .....              | 150,800            | 44,900                  | 105,900      | 78,900                    | 27,000             |
| 4th quarter .....              | 162,100            | 45,100                  | 117,000      | 86,300                    | 30,700             |
| <b>2000</b>                    |                    |                         |              |                           |                    |
| 1st quarter .....              | 156,300            | 44,900                  | 111,400      | 74,300                    | 37,100             |
| 2nd quarter .....              | 144,400            | 43,800                  | 100,600      | 68,100                    | 32,500             |
| 3rd quarter .....              | 156,700            | 42,300                  | 114,400      | 83,800                    | 30,600             |
| 4th quarter .....              | 156,300            | 38,500                  | 117,800      | 85,500                    | 32,300             |
| <b>2001</b>                    |                    |                         |              |                           |                    |
| 1st quarter .....              | 154,600            | 50,900                  | 103,700      | 76,100                    | 27,600             |
| 2nd quarter .....              | 162,500            | 47,900                  | 114,600      | 79,500                    | 35,100             |
| 3rd quarter .....              | 162,400            | 46,800                  | 115,600      | 85,800                    | 29,800             |
| 4th quarter .....              | 147,800            | 45,500                  | 102,300      | 66,900                    | 35,400             |
| <b>2002</b>                    |                    |                         |              |                           |                    |
| 1st quarter <sup>P</sup> ..... | 168,500            | 43,000                  | 125,500      | 86,800                    | 38,600             |

<sup>P</sup> preliminary.

**Table 2. Expenditures for Maintenance and Repairs and Improvements**

**Not Seasonally Adjusted in Millions of Dollars**

[Detail may not add to total due to rounding]

| Year and quarter                          | Total<br>expendi-<br>tures | Mainte-<br>nance and<br>repairs | Improvements   |                           |               |               |  |                            |
|---|----------------------------|---------------------------------|----------------|---------------------------|---------------|---------------|--|----------------------------|
|   |                            |                                 | Total          | Additions and alterations |               |               |  | Major<br>replace-<br>ments |
|   |                            |                                 |                | Total                     | To structures |               | To<br>property<br>outside of<br>structures |                            |
|   |                            |                                 |                |                           | Additions     | Alterations   |  |                            |
| <b>All Residential Properties</b>         |                            |                                 |                |                           |               |               |  |                            |
| <b>2001: Total</b> . . . . .              | <b>157,765</b>             | <b>47,491</b>                   | <b>110,274</b> | <b>77,560</b>             | <b>14,133</b> | <b>47,208</b> | <b>16,218</b>                              | <b>32,714</b>              |
| 1st quarter . . . . .                     | 28,785                     | 9,673                           | 19,112         | 14,481                    | 3,580         | 8,483         | 2,418                                      | 4,630                      |
| 2nd quarter . . . . .                     | 44,986                     | 12,590                          | 32,396         | 22,415                    | 3,821         | 13,318        | 5,276                                      | 9,982                      |
| 3rd quarter . . . . .                     | 45,352                     | 13,525                          | 31,827         | 24,425                    | 4,253         | 14,981        | 5,191                                      | 7,402                      |
| 4th quarter . . . . .                     | 38,642                     | 11,703                          | 26,940         | 16,239                    | 2,479         | 10,426        | 3,333                                      | 10,701                     |
| <b>2002: Total</b>                        |                            |                                 |                |                           |               |               |  |                            |
| 1st quarter <sup>P</sup> . . . . .        | 32,250                     | 8,092                           | 24,158         | 16,667                    | 3,330         | 10,036        | 3,301                                      | 7,491                      |
| <b>All Owner-Occupied Properties</b>      |                            |                                 |                |                           |               |               |  |                            |
| <b>2001: Total</b> . . . . .              | <b>109,642</b>             | <b>24,618</b>                   | <b>85,023</b>  | <b>61,961</b>             | <b>11,638</b> | <b>37,016</b> | <b>13,307</b>                              | <b>23,063</b>              |
| 1st quarter . . . . .                     | 18,968                     | 4,227                           | 14,741         | 11,741                    | 3,331         | 6,674         | 1,736                                      | 3,000                      |
| 2nd quarter . . . . .                     | 32,168                     | 6,766                           | 25,402         | 17,633                    | 2,754         | 10,171        | 4,708                                      | 7,769                      |
| 3rd quarter . . . . .                     | 32,987                     | 7,924                           | 25,063         | 20,457                    | 3,577         | 12,374        | 4,507                                      | 4,605                      |
| 4th quarter . . . . .                     | 25,519                     | 5,702                           | 19,817         | 12,129                    | 1,976         | 7,797         | 2,356                                      | 7,688                      |
| <b>2002: Total</b>                        |                            |                                 |                |                           |               |               |  |                            |
| 1st quarter <sup>P</sup> . . . . .        | 22,048                     | 3,496                           | 18,551         | 13,221                    | 2,869         | 7,760         | 2,592                                      | 5,331                      |
| <b>Owner-Occupied One-Unit Properties</b> |                            |                                 |                |                           |               |               |  |                            |
| <b>2001: Total</b> . . . . .              | <b>105,997</b>             | <b>23,642</b>                   | <b>82,355</b>  | <b>60,229</b>             | <b>11,482</b> | <b>35,523</b> | <b>13,224</b>                              | <b>22,126</b>              |
| 1st quarter . . . . .                     | 18,543                     | 4,029                           | 14,514         | 11,579                    | 3,331         | 6,529         | 1,718                                      | 2,935                      |
| 2nd quarter . . . . .                     | 31,480                     | 6,594                           | 24,886         | 17,326                    | 2,719         | 9,941         | 4,666                                      | 7,560                      |
| 3rd quarter . . . . .                     | 31,781                     | 7,754                           | 24,027         | 19,637                    | 3,459         | 11,671        | 4,506                                      | 4,391                      |
| 4th quarter . . . . .                     | 24,193                     | 5,266                           | 18,927         | 11,687                    | 1,972         | 7,381         | 2,333                                      | 7,240                      |
| <b>2002: Total</b>                        |                            |                                 |                |                           |               |               |  |                            |
| 1st quarter <sup>P</sup> . . . . .        | 21,642                     | 3,341                           | 18,301         | 13,028                    | 2,869         | 7,581         | 2,578                                      | 5,274                      |
| <b>Rental Properties<sup>1</sup></b>      |                            |                                 |                |                           |               |               |  |                            |
| <b>2001: Total</b> . . . . .              | <b>48,123</b>              | <b>22,873</b>                   | <b>25,250</b>  | <b>15,599</b>             | <b>2,495</b>  | <b>10,192</b> | <b>2,911</b>                               | <b>9,652</b>               |
| 1st quarter . . . . .                     | 9,817                      | 5,447                           | 4,370          | 2,740                     | *249          | *1,809        | *682                                       | 1,630                      |
| 2nd quarter . . . . .                     | 12,818                     | 5,824                           | 6,994          | 4,782                     | *1,067        | *3,146        | *568                                       | 2,213                      |
| 3rd quarter . . . . .                     | 12,365                     | 5,601                           | 6,764          | 3,967                     | *676          | *2,607        | *684                                       | 2,796                      |
| 4th quarter . . . . .                     | 13,123                     | 6,001                           | 7,122          | 4,110                     | *503          | *2,629        | *977                                       | 3,012                      |
| <b>2002: Total</b>                        |                            |                                 |                |                           |               |               |  |                            |
| 1st quarter . . . . .                     | 10,202                     | 4,595                           | 5,607          | 3,446                     | *461          | *2,276        | *709                                       | 2,160                      |

<sup>1</sup> Includes rental, vacant, and seasonal properties.

<sup>P</sup> preliminary.

\*These estimates are subject to high sampling errors. Caution should be used in estimating quarterly differences.

Note: See Table 3 for standard errors.

**Table 3. Relative Standard Errors for Current Quarter Expenditures**

[In percent]

| Type of property                        | Total expenditures | Maintenance and repairs | Improvements |                           |               |             |                                   |                    |
|---|--------------------|-------------------------|--------------|---------------------------|---------------|-------------|-----------------------------------|--------------------|
|   |                    |                         | Total        | Additions and alterations |               |             |                                   | Major replacements |
|   |                    |                         |              | Total                     | To structures |             | To property outside of structures |                    |
|   |                    |                         |              |                           | Additions     | Alterations |                                   |                    |
| All residential properties .....        | 8                  | 10                      | 10           | 14                        | 27            | 19          | 19                                | 11                 |
| All owner-occupied properties .....     | 10                 | 13                      | 12           | 17                        | 32            | 23          | 22                                | 13                 |
| Owner-occupied one-unit properties .... | 10                 | 13                      | 13           | 17                        | 32            | 25          | 23                                | 14                 |
| Rental properties.....                  | 14                 | 14                      | 19           | 19                        | 38            | 22          | 29                                | 24                 |

Note: Quarterly relative standard errors are derived from an average of the most recent 4 quarters. Relative standard errors of annual estimates will appear in Current Construction Reports C50/02-Q1.